

CLAUSE I-54 – FOB ORIGIN (August 2002)

- (a) The term "f.o.b. origin," as used in this clause, means free of expense to SURA delivered –
 - (1) On board the indicated type of conveyance of the carrier (or of the Government, if specified) at a designated point in the city, county, and State from which the shipment will be made and from which line-haul transportation service (as distinguished from switching, local drayage, or other terminal service) will begin;
 - (2) To, and placed on, the carrier's wharf (at shipside, within reach of the ship's loading tackle, when the shipping point is within a port area having water transportation service) or the carrier's freight station;
 - (3) To a U.S. Postal Service facility; or
- (b) If stated in the solicitation, to any SURA-designated point located within the same commercial zone as the f.o.b. origin point specified in the subcontract (commercial zones are prescribed by the Interstate Commerce Commission at 49 CFR 1048). The Subcontractor shall –
 - (1) Pack and mark the shipment to comply with subcontract specifications; or in the absence of specifications, prepare the shipment in conformance with carrier requirements to protect the goods and to ensure assessment of the lowest applicable transportation charge;
 - (2) Order specified carrier equipment when requested by the Government; or if not specified, order appropriate carrier equipment not in excess of capacity to accommodate shipment;
 - (3) Deliver the shipment in good order and condition to the carrier, and load, stow, trim, block, and/or brace carload or truckload shipment (when loaded by the Subcontractor) on or in the carrier's conveyance as required by carrier rules and regulations;
 - (4) Be responsible for any loss of and/or damage to the goods –
 - (i) Occurring before delivery to the carrier;
 - (ii) Resulting from improper packing and marking; or
 - (iii) Resulting from improper loading, stowing, trimming, blocking, and/or bracing of the shipment, if loaded by the Subcontractor on or in the carrier's conveyance;
 - (5) Complete the Government bill of lading supplied by the ordering agency or, when a Government bill of lading is not supplied, prepare a commercial bill of lading or other transportation receipt. The bill of lading shall show –
 - (i) A description of the shipment in terms of the governing freight classification or tariff (or Government rate tender) under which lowest freight rates are applicable;
 - (ii) The seals affixed to the conveyance with their serial numbers or other identification;
 - (iii) Lengths and capacities of cars or trucks ordered and furnished;
 - (iv) Other pertinent information required to effect prompt delivery to the consignee, including name, delivery address, postal address and zip code of consignee, routing, etc.;
 - (v) Special instructions or annotations requested by the ordering agency for commercial bills of lading; e.g., (A) "to be converted to a Government bill of lading," or (B) "this shipment is the property of, and the freight charges paid to the carrier(s) will be reimbursed by, the Government and
 - (vi) The signature of the carrier's agent and the date of shipment is received by the carrier; and
 - (6) Distribute the copies of the bill of lading, or other transportation receipts, as directed by the ordering agency.
- (c) These Subcontractor responsibilities are specified for performance at the plant or plants at which the supplies are to be finally inspected and accepted, unless the facilities for shipment by carrier's equipment are not available at the Subcontractor's plant, in which case the responsibilities shall be performed f.o.b. the point or points in the same or nearest city where the specified carrier's facilities are available; subject, however, to the following qualifications:
 - (1) If the Subcontractor's shipping plant is located in the State of Alaska or Hawaii, the Subcontractor shall deliver the supplies listed for shipment outside Alaska or Hawaii to the port of loading in Alaska or Hawaii, respectively, as specified in the subcontract, at Subcontractor's expense, and to that extent the subcontract shall be "f.o.b. destination."
 - (2) Notwithstanding subparagraph (c)(1) of this clause, if the Subcontractor's shipping plant is located in the State of Hawaii, and the subcontract requires delivery to be made by container service, the Subcontractor shall deliver the supplies, at Subcontractor's expense, to the container yard in the same or nearest city where sea van container service is available.

